

Hearing Date and Time: August 18, 2009 at 9:45 a.m. (Eastern Time)
Objection Deadline: August 13, 2009 at 4:00 p.m. (Eastern Time)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

**MOTORS LIQUIDATION COMPANY, *et al.*,
f/k/a General Motors Corp., *et al.*
Debtors.**

)
) **Chapter 11 Case No.**

)
) **09-50026 (REG)**

)
) **(Jointly Administered)**
)

**CENTERPOINT ASSOCIATES, LLC'S LIMITED OBJECTION
TO DEBTORS' MOTION TO ESTABLISH PROCEDURES
FOR DISPOSITION OF *DE MINIMIS* ASSETS**

CENTERPOINT ASSOCIATES, LLC, f/k/a Centerpoint Associates Limited Partnership ("Centerpoint"), by and through its undersigned attorneys, for its Limited Objection to Motion of Debtors for Entry of an Order Pursuant to 11 U.S.C. §§ 105 and 363(A) Establishing Procedures for the Disposition of *De Minimis* Assets, and (B) Authorizing the Debtors to (i) Pay Related Fees, and (ii) Assume, Assume and Assign, or Reject Related Executory Contracts of Unexpired Leases [Docket No. 3478] (the "Motion") states as follows:

1. Centerpoint is an interested party in the above-styled Chapter 11 proceeding by virtue of a Ground Lease, dated August 22, 1994, and subsequent amendments thereto, (the "Ground Lease")¹ wherein General Motors Corp., n/k/a Motors Liquidation Company, (the "Debtor") is the Landlord and Centerpoint is the Tenant in connection with an unexpired lease of nonresidential real property.

¹ The Ground Lease and amendments thereto are voluminous and are not attached to this Objection. However, a copy of such will be provided upon request made to undersigned counsel and, upon information and belief, the Debtor is in possession of a copy of the Ground Lease.

2. In the Ground Lease, the Debtor leases to Centerpoint certain real property in the City of Pontiac, Michigan, known as the Centerpoint Business Campus (the "Leased Premises"), for the purpose, *inter alia*, of constructing improvements thereon. Since the inception of the Ground Lease in 1994, nearly all of the individual parcels of land which comprise the Leased Premises have been developed by Centerpoint. Rent has been and continues to be paid to the Debtor based on Net Proceeds from the development (as defined in the Ground Lease). A few parcels of land within the Centerpoint Business Campus have not yet been improved; nevertheless, all of the Leased Premises remain subject to the provisions of the Ground Lease.

3. On July 29, 2009, the Debtor filed the Motion in order to establish procedures for its sale of "*de minimis*" assets in accordance with 11 U.S.C. § 363. A "*de minimis*" asset, according to the Motion, is one which has a value of \$15 Million or less. The Debtor requests that it be authorized to sell any asset for \$2 Million or less without notice or further court approval (except that notice will be given to those parties which the Debtor deems may be affected by the proposed sale); for sales greater than \$2 Million but less than or equal to \$15 Million, notice would be provided to an "interested party" service list, as described in the Motion, and objections to the proposed sale could be asserted by any affected party if made within ten (10) days of notice thereof.

4. The Ground Lease is an asset of the Debtor which may fall within the "*de minimis*" category. Centerpoint objects to any transfer of the Debtor's interest in the Ground Lease or to any transfer of any of the Leased Premises without proper notice being provided to Centerpoint and without Centerpoint having an appropriate opportunity to evaluate the proposed sale and to object to such, if warranted.

5. Pursuant to the terms of the Ground Lease, Centerpoint is entitled to a "right of first refusal" with regard to the sale of any of the Leased Premises to another party. According to Section 25.08 of the Ground Lease, Centerpoint has thirty (30) days from written notice thereof in which to decide whether to match any bona fide offer to purchase the Leased Premises from the Debtor. Thus, in order to effectuate this provision of the Ground Lease, Centerpoint must receive no less than thirty (30) days' written notice of any offer which has been made to, or has been solicited by, the Debtor in connection with the Leased Premises.

6. Further, the Leased Premises, or any parcel thereof, can only be sold or transferred consistent with the terms of the Ground Lease and the planned development of the area as a mixed-use park for office, research and development, applied technology, light industrial, retail sales and service businesses. The Centerpoint Business Campus is a "Michigan Certified Business Park" and it is subject to a "Declaration of Covenants, Conditions and Restrictions" (the "Declaration")² which mandates development of the real property consistent with a Master Plan approved by the City of Pontiac.

7. Therefore, Centerpoint requests that the Debtor amend its proposed order on the Motion to explicitly exclude the Ground Lease, the Leased Premises and any portion thereof, from the sales procedures which would be established through entry of such order, or, alternatively, that the order be otherwise amended to ensure that Centerpoint's rights in the Ground Lease and the subject Leased Premises are protected by any *di minimis* sales procedures in this proceeding.

² Upon information and belief, the Debtor is in possession of such Declaration.

WHEREFORE, Centerpoint Associates, LLC respectfully requests that the relief sought by the Debtor in the Motion be amended consistent with the concerns raised herein, and that the Court grant such other relief as it deems just and proper.

Respectfully submitted,

ERMAN, TEICHER, MILLER,
ZUCKER & FREEDMAN, P.C.

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